



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDING DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

Fidelis SecureCare of Michigan Inc.

NAIC Group Code 3744 (Current Period), 3744 (Prior Period) NAIC Company Code 10769 Employer's ID Number 30-0312489

Organized under the Laws of Michigan, State of Domicile or Port of Entry Michigan

Country of Domicile United States

Licensed as business type: Life, Accident & Health [], Property/Casualty [], Dental Service Corporation [], Vision Service Corporation [], Other [], Health Maintenance Organization [X], Hospital, Medical & Dental Service or Indemnity [], Is HMO, Federally Qualified? Yes [X] No []

Incorporated/Organized 12/09/2004 Commenced Business 07/15/2005

Statutory Home Office 20 North Martingale Road, Suite 180 (Street and Number), Schaumburg, IL, US 60173 (City or Town, State, Country and Zip Code)

Main Administrative Office 20 North Martingale Road, Suite 180 (Street and Number), Schaumburg, IL, US 60173 (City or Town, State, Country and Zip Code), 847-605-0501 (Area Code) (Telephone Number)

Mail Address 20 North Martingale Road, Suite 180 (Street and Number or P.O. Box), Schaumburg, IL, US 60173 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 20 North Martingale Road, Suite 180 (Street and Number), Schaumburg, IL, US 60173 (City or Town, State, Country and Zip Code), 847-592-9161 (Area Code) (Telephone Number)

Internet Website Address www.fidelissc.com

Statutory Statement Contact Daniel Mark Erickson Mr. (Name), 847-592-9161 (Area Code) (Telephone Number) (Extension), dan.erickson@fidelissc.com (E-mail Address), 847-517-1085 (FAX Number)

OFFICERS

Name	Title	Name	Title
Catherine Joan Kiley Ms.	President	Samuel Randolph Willcoxon Mr.	Secretary
Brett James McIntyre Mr. #	Treasurer		

OTHER OFFICERS

DIRECTORS OR TRUSTEES

Samuel Randolph Willcoxon Mr.	Jerome Wilborn Mr.	David Bruce Bosma Mr.	
-------------------------------	--------------------	-----------------------	--

State of
County of ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Catherine Joan Kiley Ms. President	Samuel Randolph Willcoxon Mr. Secretary	Brett James McIntyre Mr. Treasurer
---------------------------------------	--	---------------------------------------

Subscribed and sworn to before me this _____ day of _____,

a. Is this an original filing? Yes [X] No []

b. If no,

1. State the amendment number _____

2. Date filed _____

3. Number of pages attached _____

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D).....	532,952		532,952	548,856
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	.0		.0	.0
2.2 Common stocks .....	.0		.0	.0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....			.0	.0
3.2 Other than first liens .....			.0	.0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....	.0	.0	.0	.0
4.2 Properties held for the production of income (less \$ encumbrances) .....			.0	.0
4.3 Properties held for sale (less \$ encumbrances) .....			.0	.0
5. Cash (\$5,418,638 , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$675,508 , Schedule DA).....	6,094,146		6,094,146	6,921,143
6. Contract loans (including \$premium notes).....			.0	.0
7. Derivatives (Schedule DB).....			.0	.0
8. Other invested assets (Schedule BA) .....	.0		.0	.0
9. Receivables for securities .....			.0	.0
10. Securities lending reinvested collateral assets (Schedule DL) .....			.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11)	6,627,098	.0	6,627,098	7,469,999
13. Title plants less \$charged off (for Title insurers only).....			.0	.0
14. Investment income due and accrued	456		456	8,975
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....			.0	.0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			.0	.0
15.3 Accrued retrospective premiums .....			.0	.0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....			.0	.0
16.2 Funds held by or deposited with reinsured companies .....			.0	.0
16.3 Other amounts receivable under reinsurance contracts .....			.0	.0
17. Amounts receivable relating to uninsured plans	651,594		651,594	829,527
18.1 Current federal and foreign income tax recoverable and interest thereon .....			.0	.0
18.2 Net deferred tax asset.....	274,000	274,000	.0	.0
19. Guaranty funds receivable or on deposit .....			.0	.0
20. Electronic data processing equipment and software.....			.0	.0
21. Furniture and equipment, including health care delivery assets (\$)	587,587	587,587	.0	.0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			.0	.0
23. Receivables from parent, subsidiaries and affiliates	30,481		30,481	67,110
24. Health care (\$205,083) and other amounts receivable.....	574,750	369,665	205,085	237,741
25. Aggregate write-ins for other than invested assets .....	.0	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	8,745,966	1,231,252	7,514,714	8,613,352
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	.0
28. Total (Lines 26 and 27)	8,745,966	1,231,252	7,514,714	8,613,352
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	.0	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1 Covered	2 Uncovered	3 Total	4 Total
1. Claims unpaid (less \$ reinsurance ceded)	2,417,202		2,417,202	3,785,556
2. Accrued medical incentive pool and bonus amounts	63,002		63,002	76,603
3. Unpaid claims adjustment expenses	48,082		48,082	53,607
4. Aggregate health policy reserves, including the liability of \$ for medical loss ratio rebate per the Public Health Service Act	145,859		145,859	60,982
5. Aggregate life policy reserves			0	0
6. Property/casualty unearned premium reserves			0	0
7. Aggregate health claim reserves			0	0
8. Premiums received in advance			0	0
9. General expenses due or accrued	52,731		52,731	81,603
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	0
10.2 Net deferred tax liability			0	0
11. Ceded reinsurance premiums payable			0	0
12. Amounts withheld or retained for the account of others			0	0
13. Remittances and items not allocated			0	0
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	0
15. Amounts due to parent, subsidiaries and affiliates.	359,199		359,199	54,489
16. Derivatives			0	0
17. Payable for securities			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$ unauthorized reinsurers and \$ certified reinsurers).			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans			0	0
23. Aggregate write-ins for other liabilities (including \$ current)	0	0	0	0
24. Total liabilities (Lines 1 to 23)	3,086,075	0	3,086,075	4,112,840
25. Aggregate write-ins for special surplus funds	XXX	XXX	0	0
26. Common capital stock	XXX	XXX	1	1
27. Preferred capital stock	XXX	XXX		0
28. Gross paid in and contributed surplus	XXX	XXX	2,624,999	2,624,999
29. Surplus notes	XXX	XXX		0
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	1,803,639	1,875,511
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		0
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		0
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	4,428,639	4,500,511
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	7,514,714	8,613,351
DETAILS OF WRITE-INS				
2301.			0	0
2302.				
2303.				
2398. Summary of remaining write-ins for Line 23 from overflow page	0	0	0	0
2399. Totals (Lines 2301 through 2303 plus 2398) (Line 23 above)	0	0	0	0
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 through 3003 plus 3098) (Line 30 above)	XXX	XXX	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	9,713	10,266
2. Net premium income (including \$0 non-health premium income).....	XXX	20,446,296	22,746,896
3. Change in unearned premium reserves and reserve for rate credits	XXX		0
4. Fee-for-service (net of \$ medical expenses)	XXX		0
5. Risk revenue	XXX		0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	20,446,296	22,746,896
Hospital and Medical:			
9. Hospital/medical benefits		6,660,463	8,886,089
10. Other professional services		3,385,083	3,621,926
11. Outside referrals			0
12. Emergency room and out-of-area		509,226	477,705
13. Prescription drugs		4,867,556	5,107,235
14. Aggregate write-ins for other hospital and medical.....	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts.....		489,297	538,233
16. Subtotal (Lines 9 to 15)	0	15,911,625	18,631,188
Less:			
17. Net reinsurance recoveries			0
18. Total hospital and medical (Lines 16 minus 17)	0	15,911,625	18,631,188
19. Non-health claims (net).....			0
20. Claims adjustment expenses, including \$0 cost containment expenses.....		1,045,002	803,621
21. General administrative expenses.....		3,135,008	2,410,864
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		0	0
23. Total underwriting deductions (Lines 18 through 22)	0	20,091,635	21,845,673
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	354,661	901,223
25. Net investment income earned (Exhibit of Net Investment Income, Line 17).....		4,040	8,705
26. Net realized capital gains (losses) less capital gains tax of \$			0
27. Net investment gains (losses) (Lines 25 plus 26)	0	4,040	8,705
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]		0	0
29. Aggregate write-ins for other income or expenses	0	62,577	0
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29).....	XXX	421,278	909,928
31. Federal and foreign income taxes incurred	XXX	143,235	331,573
32. Net income (loss) (Lines 30 minus 31)	XXX	278,043	578,355
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 through 0703 plus 0798) (Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
2901. Other income.....		62,577	0
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	62,577	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1	2
	Current Year	Prior Year
CAPITAL AND SURPLUS ACCOUNT:		
33. Capital and surplus prior reporting year	4,500,513	4,485,064
34. Net income or (loss) from Line 32	278,043	578,355
35. Change in valuation basis of aggregate policy and claim reserves		0
36. Change in net unrealized capital gains (losses) less capital gains tax of \$		0
37. Change in net unrealized foreign exchange capital gain or (loss)		0
38. Change in net deferred income tax	(38,000)	312,000
39. Change in nonadmitted assets	(311,912)	(874,906)
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles		0
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend)		0
44.3 Transferred to surplus		0
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)	0	0
45.3 Transferred from capital		0
46. Dividends to stockholders		0
47. Aggregate write-ins for gains or (losses) in surplus	0	0
48. Net change in capital and surplus (Lines 34 to 47)	(71,869)	15,449
49. Capital and surplus end of reporting year (Line 33 plus 48)	4,428,644	4,500,513
DETAILS OF WRITE-INS		
4701.		0
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 through 4703 plus 4798) (Line 47 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance.....	20,368,284	22,662,846
2. Net investment income.....	28,463	8,629
3. Miscellaneous income.....	0	0
4. Total (Lines 1 through 3).....	20,396,747	22,671,475
5. Benefit and loss related payments.....	16,888,372	18,318,699
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	3,555,513	3,691,824
8. Dividends paid to policyholders.....		0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	143,235	331,575
10. Total (Lines 5 through 9).....	20,587,120	22,342,098
11. Net cash from operations (Line 4 minus Line 10).....	(190,373)	329,377
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	0	557,000
12.2 Stocks.....	0	0
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0
12.7 Miscellaneous proceeds.....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	0	557,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	0	556,808
13.2 Stocks.....	0	0
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	636,618	0
13.6 Miscellaneous applications.....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	636,618	556,808
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14).....	(636,618)	192
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		0
16.5 Dividends to stockholders.....	0	0
16.6 Other cash provided (applied).....	0	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	0	0
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(826,991)	329,569
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	6,921,140	6,591,571
19.2 End of year (Line 18 plus Line 19.1).....	6,094,149	6,921,140

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	20,446,296	0	0	0	0	0	20,446,296	0	0	0
2. Change in unearned premium reserves and reserve for rate credit	0									
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	20,446,296	0	0	0	0	0	20,446,296	0	0	0
8. Hospital/medical benefits	6,660,463						6,660,463	0		XXX
9. Other professional services	3,385,083						3,385,083	0		XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	509,226						509,226	0		XXX
12. Prescription drugs	4,867,556						4,867,556	0		XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	489,297						489,297	0		XXX
15. Subtotal (Lines 8 to 14)	15,911,625	0	0	0	0	0	15,911,625	0	0	XXX
16. Net reinsurance recoveries	0									XXX
17. Total hospital and medical (Lines 15 minus 16)	15,911,625	0	0	0	0	0	15,911,625	0	0	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
19. Claims adjustment expenses including \$ cost containment expenses	1,045,002						1,045,002	0		
20. General administrative expenses	3,135,007						3,135,007	0		
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	20,091,634	0	0	0	0	0	20,091,634	0	0	0
24. Net underwriting gain or (loss) (Line 7 minus Line 23)	354,662	0	0	0	0	0	354,662	0	0	0
DETAILS OF WRITE-INS										
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 through 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1+2-3)
1. Comprehensive (hospital and medical) .....				.0
2. Medicare Supplement .....				.0
3. Dental only.....				.0
4. Vision only.....				.0
5. Federal Employees Health Benefits Plan .....				.0
6. Title XVIII - Medicare	20,595,866		149,570	20,446,296
7. Title XIX - Medicaid.....				.0
8. Other health.....				.0
9. Health subtotal (Lines 1 through 8)	20,595,866	.0	149,570	20,446,296
10. Life .....				.0
11. Property/casualty.....				.0
12. Totals (Lines 9 to 11)	20,595,866	0	149,570	20,446,296

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	16,790,683						16,790,683			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	16,790,683	0	0	0	0	0	16,790,683	0	0	0
2. Paid medical incentive pools and bonuses	502,900						502,900			
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	2,417,202	0	0	0	0	0	2,417,202	0	0	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	2,417,202	0	0	0	0	0	2,417,202	0	0	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	0									
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	
4.4 Net	0	0	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	63,002						63,002			
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	0									
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	3,785,556	0	0	0	0	0	3,785,556	0	0	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	3,785,556	0	0	0	0	0	3,785,556	0	0	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	0	0	0	0	0	0	0	0	0	0
9.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
9.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
9.4 Net	0	0	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	76,603	0	0	0	0	0	76,603	0	0	0
11. Amounts recoverable from reinsurers December 31, prior year	0	0	0	0	0	0	0	0	0	0
12. Incurred benefits:										
12.1 Direct	15,422,329	0	0	0	0	0	15,422,329	0	0	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	15,422,329	0	0	0	0	0	15,422,329	0	0	0
13. Incurred medical incentive pools and bonuses	489,299	0	0	0	0	0	489,299	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan Premium	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	171,593						171,593			
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	171,593	0	0	0	0	0	171,593	0	0	0
2. Incurred but Unreported:										
2.1 Direct	2,245,609						2,245,609			
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	0									
2.4 Net	2,245,609	0	0	0	0	0	2,245,609	0	0	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct	2,417,202	0	0	0	0	0	2,417,202	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	2,417,202	0	0	0	0	0	2,417,202	0	0	0

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability Dec. 31 of Current Year		5 Claims Incurred in Prior Years (Columns 1 + 3)	6 Estimated Claim Reserve and Claim Liability December 31 of Prior Year
	1 On Claims Incurred Prior to January 1 of Current Year	2 On Claims Incurred During the Year	3 On Claims Unpaid December 31 of Prior Year	4 On Claims Incurred During the Year		
1. Comprehensive (hospital and medical)					0	0
2. Medicare Supplement					0	0
3. Dental Only.....					0	0
4. Vision Only.....					0	0
5. Federal Employees Health Benefits Plan					0	0
6. Title XVIII - Medicare	2,969,079	13,821,604	40,339	2,376,863	3,009,418	3,785,557
7. Title XIX - Medicaid.....					0	0
8. Other health					0	0
9. Health subtotal (Lines 1 to 8).....	2,969,079	13,821,604	40,339	2,376,863	3,009,418	3,785,557
10. Healthcare receivables (a).....					0	0
11. Other non-health.....					0	0
12. Medical incentive pools and bonus amounts	74,026	428,874	0	63,002	74,026	76,603
13. Totals (Lines 9 - 10 + 11 + 12)	3,043,105	14,250,478	40,339	2,439,865	3,083,444	3,862,160

(a) Excludes \$loans or advances to providers not yet expensed.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Medicare

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	3,763	.0	.0	.0	
2. 2008	19,190	3,989	.0	.0	
3. 2009	XXX	12,038	1,638	.0	
4. 2010	XXX	XXX	11,809	1,964	
5. 2011	XXX	XXX	XXX	15,887	3,045
6. 2012	XXX	XXX	XXX	XXX	14,252

Section B - Incurred Health Claims - Medicare

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior					
2. 2008					
3. 2009	XXX				
4. 2010	XXX	XXX			
5. 2011	XXX	XXX	XXX		.0
6. 2012	XXX	XXX	XXX	XXX	15,912

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Medicare

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2008	25,914	.0		.0	.0	.0			.0	.0
2. 2009	20,898	.0		.0	.0	.0			.0	.0
3. 2010	18,400	.0	.0	.0	.0	.0			.0	.0
4. 2011	22,747	3,045		.0	3,045	13.4			3,045	13.4
5. 2012	20,446	14,252	1,045	7.3	15,297	74.8	2,480	48	17,825	87.2

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred	Cumulative Net Amounts Paid				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior	3,763	.0	.0	.0	.0
2. 2008	19,190	3,989	.0	.0	.0
3. 2009	XXX	12,038	1,638	.0	.0
4. 2010	XXX	XXX	11,809	1,964	.0
5. 2011	XXX	XXX	XXX	15,887	3,045
6. 2012	XXX	XXX	XXX	XXX	14,252

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred	Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
	1 2008	2 2009	3 2010	4 2011	5 2012
1. Prior .....	.0	.0	.0	.0	.0
2. 2008 .....	.0	.0	.0	.0	.0
3. 2009	XXX	.0	.0	.0	.0
4. 2010	XXX	XXX	.0	.0	.0
5. 2011	XXX	XXX	XXX	.0	.0
6. 2012	XXX	XXX	XXX	XXX	15,912

Section C – Incurred Year Health Claims and Claims Adjustment Expense Ratio – Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payments	3 Claim Adjustment Expense Payments	4 Col. (3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2+3)	6 Col. (5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 Col. (9/1) Percent
1. 2008	25,914	.0	.0	.0	.0	.0	.0	.0	.0	.0
2. 2009	20,898	.0	.0	.0	.0	.0	.0	.0	.0	.0
3. 2010	18,400	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. 2011	22,747	3,045	.0	.0	3,045	13.4	.0	.0	3,045	13.4
5. 2012	20,446	14,252	1,045	7.3	15,297	74.8	2,480	48	17,825	87.2

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves .....	.0								
2. Additional policy reserves (a)	145,859						145,859		
3. Reserve for future contingent benefits .....	.0								
4. Reserve for rate credits or experience rating refunds (including \$ for investment income) .....	.0								
5. Aggregate write-ins for other policy reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
6. Totals (gross)	145,859	.0	.0	.0	.0	.0	145,859	.0	.0
7. Reinsurance ceded .....	.0								
8. Totals (Net) (Page 3, Line 4)	145,859	.0	.0	.0	.0	.0	145,859	.0	.0
9. Present value of amounts not yet due on claims .....	.0								
10. Reserve for future contingent benefits .....	.0								
11. Aggregate write-ins for other claim reserves .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
12. Totals (gross) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
13. Reinsurance ceded .....	.0								
14. Totals (Net) (Page 3, Line 7)	0	0	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page .....	.0	.0	.0	.0	.0	.0	.0	.0	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	.0	.0	.0	.0	.0	.0	.0	.0	.0

(a) Includes \$ premium deficiency reserve.

STATEMENT AS OF ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

UNDERWRITING AND INVESTMENT EXHIBIT
PART 3 - ANALYSIS OF EXPENSES

	Claim Adjustment Expenses		3 General Administrative Expenses	4 Investment Expenses	5 Total
	1 Cost Containment Expenses	2 Other Claim Adjustment Expenses			
1. Rent (\$for occupancy of own building).....			151,446		151,446
2. Salaries, wages and other benefits.....		627,001	1,563,957		2,190,958
3. Commissions (less \$ceded plus \$assumed).....					0
4. Legal fees and expenses.....					0
5. Certifications and accreditation fees.....					0
6. Auditing, actuarial and other consulting services.....			738,330		738,330
7. Traveling expenses.....			62,077		62,077
8. Marketing and advertising.....			4,247		4,247
9. Postage, express and telephone.....			116,348		116,348
10. Printing and office supplies.....			35,736		35,736
11. Occupancy, depreciation and amortization.....					0
12. Equipment.....			8,127		8,127
13. Cost or depreciation of EDP equipment and software.....					0
14. Outsourced services including EDP, claims, and other services.....		418,001	250,927		668,928
15. Boards, bureaus and association fees.....					0
16. Insurance, except on real estate.....			87,488		87,488
17. Collection and bank service charges.....					0
18. Group service and administration fees.....					0
19. Reimbursements by uninsured plans.....					0
20. Reimbursements from fiscal intermediaries.....					0
21. Real estate expenses.....					0
22. Real estate taxes.....					0
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes.....					0
23.2 State premium taxes.....					0
23.3 Regulatory authority licenses and fees.....					0
23.4 Payroll taxes.....					0
23.5 Other (excluding federal income and real estate taxes).....			116,325		116,325
24. Investment expenses not included elsewhere.....					0
25. Aggregate write-ins for expenses.....	0	0	0	0	0
26. Total expenses incurred (Lines 1 to 25).....	0	1,045,002	3,135,008	0	(a) 4,180,010
27. Less expenses unpaid December 31, current year.....		48,082	52,731		100,813
28. Add expenses unpaid December 31, prior year.....	0	53,607	81,603	0	135,210
29. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0	0
30. Amounts receivable relating to uninsured plans, current year.....					0
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	0	1,050,527	3,163,880	0	4,214,407
DETAILS OF WRITE-INS					
2501.					
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0	0
2599. Totals (Line 2501 through 2503 + 2598)(Line 25 above)	0	0	0	0	0

(a) Includes management fees of \$to affiliates and \$to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....26,596	.....1,815
1.1	Bonds exempt from U.S. tax	(a) .....	.....0
1.2	Other bonds (unaffiliated)	(a) .....	.....
1.3	Bonds of affiliates	(a) .....0	.....
2.1	Preferred stocks (unaffiliated)	(b) .....0	.....
2.11	Preferred stocks of affiliates	(b) .....0	.....
2.2	Common stocks (unaffiliated) .....	.....0	.....
2.21	Common stocks of affiliates .....	.....0	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5.	Contract loans .....	.....	.....
6.	Cash, cash equivalents and short-term investments	(e) .....1,867	.....2,225
7.	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....0	.....0
10.	Total gross investment income	28,463	4,040
11.	Investment expenses		(g)
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....0
17.	Net investment income (Line 10 minus Line 16)		4,040
DETAILS OF WRITE-INS			
0901.	.....	.....	.....
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0
1501.	.....		.....
1502.	.....		.....
1503.	.....		.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 through 1503) plus 1598 (Line 15 above)		0

(a) Includes \$accrual of discount less \$15,904 amortization of premium and less \$0 paid for accrued interest on purchases.
(b) Includes \$accrual of discount less \$amortization of premium and less \$0 paid for accrued dividends on purchases.
(c) Includes \$0 accrual of discount less \$0 amortization of premium and less \$paid for accrued interest on purchases.
(d) Includes \$for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
(e) Includes \$accrual of discount less \$amortization of premium and less \$paid for accrued interest on purchases.
(f) Includes \$accrual of discount less \$amortization of premium.
(g) Includes \$investment expenses and \$investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes \$interest on surplus notes and \$ interest on capital notes.
(i) Includes \$depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5.
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....			.....0		
1.1	Bonds exempt from U.S. tax .....			.....0		
1.2	Other bonds (unaffiliated) .....			.....0		
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....	.....0	.....0	.....0	.....0	.....0
4.	Real estate .....	.....0	.....0	.....0	.....0	.....0
5.	Contract loans .....			.....0		
6.	Cash, cash equivalents and short-term investments .....			.....0	.....0	.....0
7.	Derivative instruments .....			.....0		
8.	Other invested assets .....	.....0	.....0	.....0	.....0	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....0	.....0	.....0	.....0	.....0
10.	Total capital gains (losses)	0	0	0	0	0
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 through 0903) plus 0998 (Line 9 above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks	0	0	0
2.2 Common stocks	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens	0	0	0
3.2 Other than first liens	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale	0	0	0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA)	0	0	0
9. Receivables for securities	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies	0	0	0
16.3 Other amounts receivable under reinsurance contracts	0	0	0
17. Amounts receivable relating to uninsured plans	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset.....	274,000	312,000	38,000
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	587,587	0	(587,587)
22. Net adjustment in assets and liabilities due to foreign exchange rates	0	0	0
23. Receivables from parent, subsidiaries and affiliates	0	0	0
24. Health care and other amounts receivable.....	369,665	607,340	237,675
25. Aggregate write-ins for other than invested assets	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	1,231,252	919,340	(311,912)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	1,231,252	919,340	(311,912)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0
2501.			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations.....	943	855	778	780	737	9,713
2. Provider Service Organizations.....	.0					
3. Preferred Provider Organizations.....	.0					
4. Point of Service.....	.0					
5. Indemnity Only.....	.0					
6. Aggregate write-ins for other lines of business	0	0	0	0	0	0
7. Total	943	855	778	780	737	9,713
DETAILS OF WRITE-INS						
0601.						
0602.						
0603.						
0698. Summary of remaining write-ins for Line 6 from overflow page .....	.0	.0	.0	.0	.0	.0
0699. Totals (Lines 0601 through 0603 plus 0698) (Line 6 above)	0	0	0	0	0	0

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Fidelis SecureCare of Michigan Inc. are presented on the basis of accounting practices prescribed or permitted by the State of Michigan Department of Insurance.

Fidelis SecureCare of Michigan Inc is licensed and domiciled as a Health Maintenance Organization in the State of Michigan. The company is authorized to write Medicare business as a Medicare Advantage plan. The State of Michigan Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Michigan for determining and reporting the financial condition and results of operations of a Health Maintenance Organization, for determining its solvency under the Michigan Insurance Law. The statement has been completed in accordance with the NAIC *Accounting Practices and Procedures Manual*. In NAIC SAP, some assets, such as prepaid expenses are not admitted. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

Cash and Cash Equivalents – Cash and cash equivalents include highly liquid investments that are both readily convertible to known amounts of cash, and so near to their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash includes savings accounts, and certificates of deposits with original maturities of three months or less. Cash equivalents are short-term investments that include investments with remaining maturities of greater than 90 days, but less than one year at the time of acquisition.

Bonds – Investments on bonds are carried at amortized costs. Bonds are amortized using the effective interest rate method. The amortized cost and estimated fair value of bonds as of December 31, 2012 are as follows:

	<u>Amortized Cost</u>	<u>Unrealized Gain(Loss)</u>	<u>Fair Value</u>
U.S. Gov't. obligations	<u>\$532,952</u>	<u>\$456</u>	<u>\$533,408</u>

The statutory carrying value and the fair value of the bonds at September 30, 2012, by stated maturity, are shown below. These bonds are held in trust as required to be deposited in restricted accounts for member's protection pursuant to federal and state regulatory requirements.

	<u>Amortized Cost</u>	<u>Unrealized Gain(Loss)</u>	<u>Fair Value</u>
Due in less than 1 year	<u>\$532,952</u>	<u>\$456</u>	<u>\$533,408</u>
Due in one through five yrs	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Due in over five years	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

In December 2003, the Emerging Issues Task Force ("EITF") issued EITF 03-1, The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments. EITF 03-1 specifies certain quantitative and qualitative disclosures for debt and marketable equity securities classified as available for sale or held-to-maturity and where costs exceeds market value at the balance sheet date but for which an other-than-temporary impairment has not been recognized. As of December 31, 2012 the fair value of securities, \$533,408 was more than its book value (amortized cost) by \$456 for US governments due to mature in less than 1 year from balance sheet date. The book value (amortized cost) of these instruments as of December 31, 2012 is \$532,952.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Health premiums are earned monthly over the terms of the related insurance contracts or policies. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

The amount of dividends to be paid to policyholders is determined annually by the Company's Board of Directors. The aggregate amount of policyholders' dividends is related to actual interest, mortality, morbidity, and expense experience for the year and judgment as to the appropriate level of statutory surplus to be retained by the Company.

In addition, the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds not backed by other loans are stated at amortized cost using the constant yield interest method.
- (3) Common stocks are stated at market except that investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 10% or more (per SSAP 88) are carried on the equity basis.
- (4) Not applicable
- (5) Not applicable
- (6) Not applicable
- (7) Not applicable
- (8) Not applicable
- (9) Not applicable
- (10) The Company does not consider anticipated investment income when calculating its premium deficiency reserves.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Pharmaceutical rebates are estimated based on actual prior rebate information supplied to us by our third party pharmacy administrator, Partner's Rx. Each quarter, they supply us with updated information which is used to estimate the future rebate amounts.

2. Accounting Changes and Corrections of Errors

Not applicable

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

5. Investments

Not applicable

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies.

7. Investment Income

Investment income includes interest and dividend income due and unpaid on short term investments. All amounts have been admitted at December 31, 2012.

8. Derivative Instruments

Not applicable

9. Income Taxes

A. The components of the net deferred tax asset at December 31, 2012 and December 31, 2011 are as follows:

	2012			2011		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Total of gross deferred tax assets	\$ 274,000	\$ -	\$274,000	\$ 312,000	\$ -	\$ 312,000
Deferred tax assets nonadmitted	274,000	-	\$274,000	312,000	-	312,000
(Decrease) increase in nonadmitted asset	\$ (38,000)	\$ -	\$(38,000)	\$ (29,285)	\$ -	\$ (29,285)

The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the Statement of Changes in Capital and Surplus):

	2012			2011			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Total of gross deferred tax assets	\$ 274,000	\$ -	\$274,000	\$ 312,000	\$ -	\$312,000	\$ -	\$ -	\$ -
Net deferred tax asset	274,000	-	\$274,000	312,000	-	\$312,000	-	-	-
Tax effect of unrealized gain (loss)	-	-	-	-	-	-	-	-	-
Change in net deferred income taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The impact of Tax Planning Strategies:

2012	2011	Change
------	------	--------

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent	Ordinary Percent	Capital Percent	Total Percent
Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	100%	0%	100%	100%	0%	100%	0%	0%	0%
Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%	0%	0%	0%	0%	0%	0%

- B. The tax effects of temporary differences that give rise to significant portions of deferred tax assets and liabilities at December 31, 2012 and December 31, 2011 are as follows:

	2012			2011			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Deferred tax assets									
Start-up costs	\$ 252,000	\$ -	\$ 252,000	\$ 285,000	\$ -	\$ 285,000	\$ -	\$ -	\$ -
Loss reserve discounting	22,000	-	22,000	27,000	-	27,000	-	-	-
Total deferred tax assets	274,000	-	274,000	312,000	-	312,000	-	-	-
Nonadmitted deferred tax assets	274,000	-	274,000	312,000	-	312,000	-	-	-
Net deferred tax asset admitted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- C. The provision for incurred income tax expense for the quarter ended December 31, 2012 and year ended December 31, 2011 is:

	2012	2011
Federal - excluding net capital gains (losses)	\$143,235	\$331,573
Federal tax on net capital gains (losses)	-	-
Federal income taxes incurred	\$143,235	\$331,573

- D. No significant reconciling items to disclose.
- E. There are no income taxes incurred in the current year that will be available for recoupment in the event of future losses.
- F. Fidelis SecureCare of Michigan Inc files consolidated Federal Tax returns with its parent, Fidelis SeniorCare Inc. Other affiliated companies, Fidelis SecureCare of North Carolina, Inc. and Fidelis SecureCare of Texas, Inc., FSC of Washington, Inc., FSC of Washington HealthCare Services, PC, FSC of Washington Health Services, Inc., FSC of Michigan PC Group, Inc., FSC of Michigan Management Services, Inc., and FSC of Michigan Services, Inc. also file in that consolidated tax return. Subsidiary federal tax liability shall be paid to the parent company and filed as part of a consolidated federal tax return. The group's consolidated federal tax liability shall be

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

apportioned for purposes of computing earnings and profits in accordance with the method provided in Section 1552(a)(1) of the Code and Regulations Section 1.1552-1(a)(1). The group's unitary tax liability shall be apportioned for tax purposes in accordance with the requirements of applicable state law, or, if none, as reasonably determined by the Parent.

10. Information Concerning Parent, Subsidiaries and Affiliates

A., B., C., & D.

The Company paid no dividends to the Parent Company for the periods ending December 31, 2012 and December 31, 2011. At December 31, 2012 and December 31, 2011, Fidelis SecureCare of Michigan reported \$0 and \$67,110 as amounts due from the Parent Company, Fidelis Senior Care Inc. and \$30,482 and \$0 as amounts due from FSC of Michigan Services, Inc. Amounts due from the parent primarily relate to the administrative services agreement and tax sharing agreement between the Parent and the Company. Amounts due from FSC of Michigan Services Inc. relate to capitation and rental agreements between the entities. Starting in October 2012, the Company entered into a Network Provider Agreement with FSC of Michigan Services, where it pays capitation payments to FSC of Michigan Services. Per a sub-lease agreement entered into in October 2012, the Company is paid monthly rental payments by FSC of Michigan Services.

As of December 31, 2012 and December 31, 2011, the Company has \$336,862 and \$0 due to the Parent and \$19,337 and \$54,489 due to Fidelis HealthCare Services Inc. respectively. Amounts due to the parent primarily relate to the administrative services agreement and the tax sharing agreement between the Parent and the Company. Amounts due to Fidelis Healthcare Services are related to services provided under the Provider Network Agreement. Fidelis SecureCare of Michigan generally settles all intercompany transactions within 45 days of the end of fiscal periods.

For the years ended December 31, 2012 and December 31, 2011, Fidelis SecureCare of Michigan incurred \$4,112,245 and \$3,202,601 in costs for the Parent Company, Fidelis SeniorCare, Inc. and \$811,118 and \$1,405,797 in costs for Fidelis HealthCare Services, Inc.

E. Not applicable

F. The Company has amounts due to the Parent Company, Fidelis SeniorCare, Inc., in accordance with the administrative services agreement and tax sharing agreement. The Company has amounts due to Fidelis Healthcare Services relating to services provided under the Provider Network Agreement. The Company has amounts due from FSC of Michigan Services in accordance with the Network Provider Collaboration agreement.

G. All outstanding shares of Fidelis SecureCare of Michigan are owned by the Parent Company, Fidelis SeniorCare Inc, is an insurance holding company domiciled in the State of Delaware.

H. Not applicable

I. Not applicable

J. Not applicable

K. Not applicable

L. Not applicable

11. Debt

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

Not applicable

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 100 shares authorized, 100 shares issued and 100 shares outstanding. All shares are Common shares.
- (2) The Company has no preferred stock outstanding.
- (3) No extraordinary dividends or other extraordinary distributions to its shareholder until 30 days after the commissioner has received notice of the declaration thereof and has not within such period disapproved such payment within such thirty day period. For purposes of this section, an extraordinary dividend or distribution includes any dividend or distribution of cash or other property, whose fair market value together with that of other dividends or distributions made within the preceding twelve months exceeds the greater of ten percent of such insurer's surplus as regards policyholders as of December 31 next preceding, or the net gain from operations of such insurer, not including realized capital gains, for the twelve-month period ending December 31. Any other provision of law to the contrary notwithstanding, an insurer may declare an extraordinary dividend or distribution which is conditional upon the commissioner's approval thereof, and such a declaration confers no rights upon shareholders until the commissioner has approved the payment of such dividend or distribution or the commissioner has not disapproved such payment within the thirty-day period.
- (4) Not applicable
- (5) Within the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.
- (6) There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.
- (7) The total amount of advances to surplus not repaid is \$0.
- (8) Not applicable
- (9) Not applicable
- (10) Not applicable
- (11) Not applicable
- (12) Not applicable
- (13) Not applicable

14. Contingencies

Not applicable

15. Leases

A. Not applicable

- B. The Company is involved in a sub-leasing arrangement with an affiliate, but it is not a material or significant transaction according to its business activities.

16. Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk

Not applicable

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities
Not applicable
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans
Not applicable
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators
Not applicable
20. Fair Value Measurements
Not applicable
21. Other Items
- A. Not applicable
 - B. Not applicable
 - C. Other Disclosures. Assets with a market value of \$1,208,916 at December 31, 2012 were on deposit with JP Morgan as custodian in compliance with the Michigan Department of Insurance requirements. This consisted of Treasury Notes, with an amortized cost of \$532,952 and a market value of \$533,408 and \$675,508 in JP Morgan Federal Money Market.
 - D. Not applicable
 - E. Not applicable
 - F. Not applicable
 - G. Not applicable
 - H. Not applicable
22. Events Subsequent
Not applicable.
23. Reinsurance
- A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled,

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

If yes, give full details.

- (2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate \$ _____.
- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$ _____.

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ 0 _____
- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$ _____

-

B. Uncollectible Reinsurance

The Company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of: \$ 0 _____, which is reflected as:

(1) Losses incurred	\$ 0 _____
(2) Loss adjustment expenses incurred	\$ 0 _____
(3) Premiums earned	\$ 0 _____
(4) Other	\$ 0 _____

C. Commutation of Ceded Reinsurance

The Company has reported \$0 in its operations in the current year as a result of commutation of reinsurance.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

Not applicable

25. Change in Incurred Claims and Claim Adjustment Expenses

	2012	2011
Balance at, January 1, 2012	\$3,839,163	\$3,058,139
Reinsurance balance recoverable for unpaid claims	0	0
Gross balance	<u>3,839,163</u>	<u>3,058,139</u>
Incurred claims and claims adjustment expense related to:		
Current year	17,337,415	20,034,716
Prior year	(870,084)	(1,138,139)
Total incurred claims and claims adjustment expenses	<u>16,467,331</u>	<u>18,896,577</u>
Less claims paid:		
Current year	14,872,131	16,195,553
Prior year	2,969,079	1,920,000
Total paid	<u>17,841,210</u>	<u>18,115,553</u>
Balance at, December 31, 2012	<u>\$2,465,284</u>	<u>\$3,839,163</u>

26. Intercompany Pooling Arrangements

Not applicable

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

Not applicable.

28. Health Care Receivables

Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2012	\$ -	\$ -	\$ -	\$ -	\$ -
9/30/2012	-	109,735	-	-	-
6/30/2012	-	116,014	-	-	-
3/31/2012	-	137,142	-	-	137,142
12/31/2011	-	212,779	-	-	212,779
9/30/2011	-	195,825	-	-	195,825
6/30/2011	-	131,766	-	-	131,766
3/31/2011	-	117,364	-	-	117,364
12/31/2010	-	129,946	-	-	129,946
9/30/2010	-	105,929	-	105,929	-
6/30/2010	-	72,147	-	72,147	-
3/31/2010	-	65,853	-	65,853	-

A. Risk Sharing Receivables – Not applicable

29. Participating Policies

The Company paid dividends in the amount of \$0 to policyholders and did not allocate any additional income to such policyholders.

30. Premium Deficiency Reserves

As of December 31, 2012 the Company had liabilities of \$0 related to premium deficiency reserves. The Company does not consider anticipated investment income when calculating its premium deficiency reserves.

31. Anticipated Salvage and Subrogation

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.**

NOTES TO FINANCIAL STATEMENTS

Not applicable

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes [X] No []
- 1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] NA []
- 1.3

State Regulating? Michigan
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]
- 2.2

If yes, date of change:
- 3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2009
- 3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2009
- 3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

05/05/2011
- 3.4

By what department or departments? Michigan Department of Insurance
- 3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] NA [X]
- 3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [X] No [] NA []
- 4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11

sales of new business?

Yes [] No [X]
- 4.12

renewals?

Yes [] No [X]
- 4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21

sales of new business?

Yes [] No [X]
- 4.22

renewals?

Yes [] No [X]
- 5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]
- 5.2

If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

- 6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]
- 6.2

If yes, give full information
- 7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]
- 7.2

If yes,
- 7.21

State the percentage of foreign control
- 7.22

State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney - in - fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney - in - fact).

1 Nationality	2 Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
.....

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....

10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] NA []
10.6 If the response to 10.5 is no or n/a, please explain
.....

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Milliman, Inc. 15800 Bluemound Road, Suite 100 Brookfield, WI 53005.....

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
12.11 Name of real estate holding company
12.12 Number of parcels involved
12.13 Total book/adjusted carrying value \$.....

12.2 If yes, provide explanation
.....

13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [X]
13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [X]
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] NA [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and
a. professional relationships;
b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
c. Compliance with applicable governmental laws, rules and regulations;
d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
e. Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:
.....

14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
14.21 If the response to 14.2 is yes, provide information related to amendment(s)
.....

14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.
- Yes [] No [X]

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person?
- Yes [X] No []
- Yes [X] No []
- Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers .. \$

20.12 To stockholders not officers ... \$

20.13 Trustees, supreme or grand (Fraternal only) \$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers ... \$

20.22 To stockholders not officers ... \$

20.23 Trustees, supreme or grand (Fraternal only) \$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others \$

21.22 Borrowed from others \$

21.23 Leased from others \$

21.24 Other \$
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments?
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment \$

22.22 Amount paid as expenses \$

22.23 Other amounts paid \$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:.....0
- Yes [] No [X]
- Yes [] No [X]
- Yes [X] No []

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03).
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending?
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2..... \$

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2..... \$

24.103 Total payable for securities lending reported on the liability page..... \$
- Yes [X] No []
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]
- Yes [] No [] NA [X]

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).
Yes [X] No []
- 25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements\$
25.22 Subject to reverse repurchase agreements\$
25.23 Subject to dollar repurchase agreements\$
25.24 Subject to reverse dollar repurchase agreements\$
25.25 Pledged as collateral\$
25.26 Placed under option agreements\$
25.27 Letter stock or securities restricted as to sale\$
25.28 On deposit with state or other regulatory body\$1,208,460
25.29 Other\$

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?
Yes [] No [X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.
Yes [] No [] NA [X]
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?
Yes [] No [X]
- 27.2 If yes, state the amount thereof at December 31 of the current year.
\$
28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*?
Yes [X] No []

28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase	Chase Manhattan Plaza New York, New York 10005-1489

28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?
Yes [] No [X]
- 28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?.....
- 29.2 If yes, complete the following schedule:
- Yes [] No [X]

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....
29.2999 TOTAL		0

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....
.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-) or Fair Value over Statement (+)
30.1 Bonds.....	532,952	533,408	456
30.2 Preferred Stocks.....	0		0
30.3 Totals	532,952	533,408	456

- 30.4 Describe the sources or methods utilized in determining the fair values:

.....

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?.....
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?.....
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- Yes [X] No []
- Yes [X] No []
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
- 32.2 If no, list exceptions:
- Yes [X] No []
-

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to Trade associations, service organizations and statistical or rating bureaus, if any?.....\$
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
.....

- 34.1 Amount of payments for legal expenses, if any?.....\$10,781
- 34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Epstein, Becker, and Green.....	.....7,251

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?.....\$
- 35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$ 0

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$

1.5

Indicate total incurred claims on all Medicare Supplement insurance.

\$ 0

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 0

1.62

Total incurred claims

\$ 0

1.63

Number of covered lives

0

All years prior to most current three years:

1.64

Total premium earned

\$ 0

1.65

Total incurred claims

\$ 0

1.66

Number of covered lives

0

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 0

1.75

Total incurred claims

\$ 0

1.76

Number of covered lives

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

\$ 20,446,296

\$ 22,746,896

2.2

Premium Denominator

\$ 20,446,296

\$ 22,746,896

2.3

Premium Ratio (2.1/2.2)

1.000

1.000

2.4

Reserve Numerator

\$ 2,480,204

\$ 3,862,160

2.5

Reserve Denominator

\$ 2,626,063

\$ 3,923,141

2.6

Reserve Ratio (2.4/2.5)

0.944

0.984

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No [X]

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [X] No []

5.2

If no, explain:

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$ 100,000

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental and Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

86

8.2

Number of providers at end of reporting year

86

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [] No [X]

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

9.22

Business with rate guarantees over 36 months

27

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?.....
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses \$.....489,297
- 10.22 Amount actually paid for year bonuses \$.....502,900
- 10.23 Maximum amount payable withholds \$.....
- 10.24 Amount actually paid for year withholds \$.....
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes [] No [X]
- 11.13 An Individual Practice Association (IPA), or, Yes [] No [X]
- 11.14 A Mixed Model (combination of above) ?..... Yes [X] No []
- 11.2 Is the reporting entity subject to Minimum Net Worth Requirements?
- 11.3 If yes, show the name of the state requiring such net worth.
- Michigan
- 11.4 If yes, show the amount required. \$.....3,000,000
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [X] No []
- 11.6 If the amount is calculated, show the calculation
12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
Wayne, Macomb, Oakland, Washtenaw, Allegan, Bay, Genesee, Jackson, Kalamazoo, Kent, Muskegan, and Saginaw counties.....

- 13.1 Do you act as a custodian for health savings accounts?..... Yes [] No [X]
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$.....
- 13.3 Do you act as an administrator for health savings accounts?..... Yes [] No [X]
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

FIVE-YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	7,514,714	8,613,352	7,985,413	9,796,426	8,691,176
2. Total liabilities (Page 3, Line 24)	3,086,075	4,112,840	3,500,351	3,607,938	5,526,391
3. Statutory surplus	3,000,000	3,000,000	3,000,000	3,000,000	2,948,802
4. Total capital and surplus (Page 3, Line 33)	4,428,639	4,500,511	4,485,062	6,188,488	3,164,785
Income Statement (Page 4)					
5. Total revenues (Line 8)	20,446,296	22,746,896	18,400,171	20,897,546	25,913,760
6. Total medical and hospital expenses (Line 18)	15,911,625	18,631,188	14,019,049	13,536,138	23,635,064
7. Claims adjustment expenses (Line 20)	1,045,002	803,621	646,091	731,550	453,491
8. Total administrative expenses (Line 21)	3,135,008	2,410,864	1,938,273	2,194,650	1,360,471
9. Net underwriting gain (loss) (Line 24)	354,661	901,223	1,796,758	4,435,208	464,734
10. Net investment gain (loss) (Line 27)	4,040	8,705	22,369	52,282	117,916
11. Total other income (Lines 28 plus 29)	62,577	0	0	0	0
12. Net income or (loss) (Line 32)	278,043	578,355	1,200,624	2,961,743	384,549
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(190,373)	329,377	706,169	1,515,274	399,194
Risk - Based Capital Analysis					
14. Total adjusted capital	4,428,639	4,500,511	4,485,062	6,188,488	3,164,785
15. Authorized control level risk-based capital	1,015,682	1,175,889	884,987	988,764	1,474,401
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	737	943	819	650	1,141
17. Total members months (Column 6, Line 7)	9,713	10,266	8,364	8,886	13,564
Operating Percentage (Page 4)					
(Item divided by Page 4, sum of Lines 2, 3, and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	77.8	81.9	76.2	64.8	91.2
20. Cost containment expenses	0.0	0.0	0.0	0.0	0.0
21. Other claims adjustment expenses	5.1	3.5	3.5	3.5	1.8
22. Total underwriting deductions (Line 23)	98.3	96.0	90.2	78.8	98.2
23. Total underwriting gain (loss) (Line 24)	1.7	4.0	9.8	21.2	1.8
Unpaid Claims Analysis					
(U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	3,083,444	2,012,797	1,734,388	4,341,266	4,241,544
25. Estimated liability of unpaid claims—[prior year (Line 13, Col. 6)]	3,862,160	3,081,875	2,509,580	5,000,778	4,181,939
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)	0	0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)	0	0	0	0	0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)	0	0	0	0	0
29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate		0	0	0	0
31. All other affiliated		0	0	0	0
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors?

Yes [] No []

If no, please explain

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE
Fidelis SecureCare of Michigan Inc.

SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS

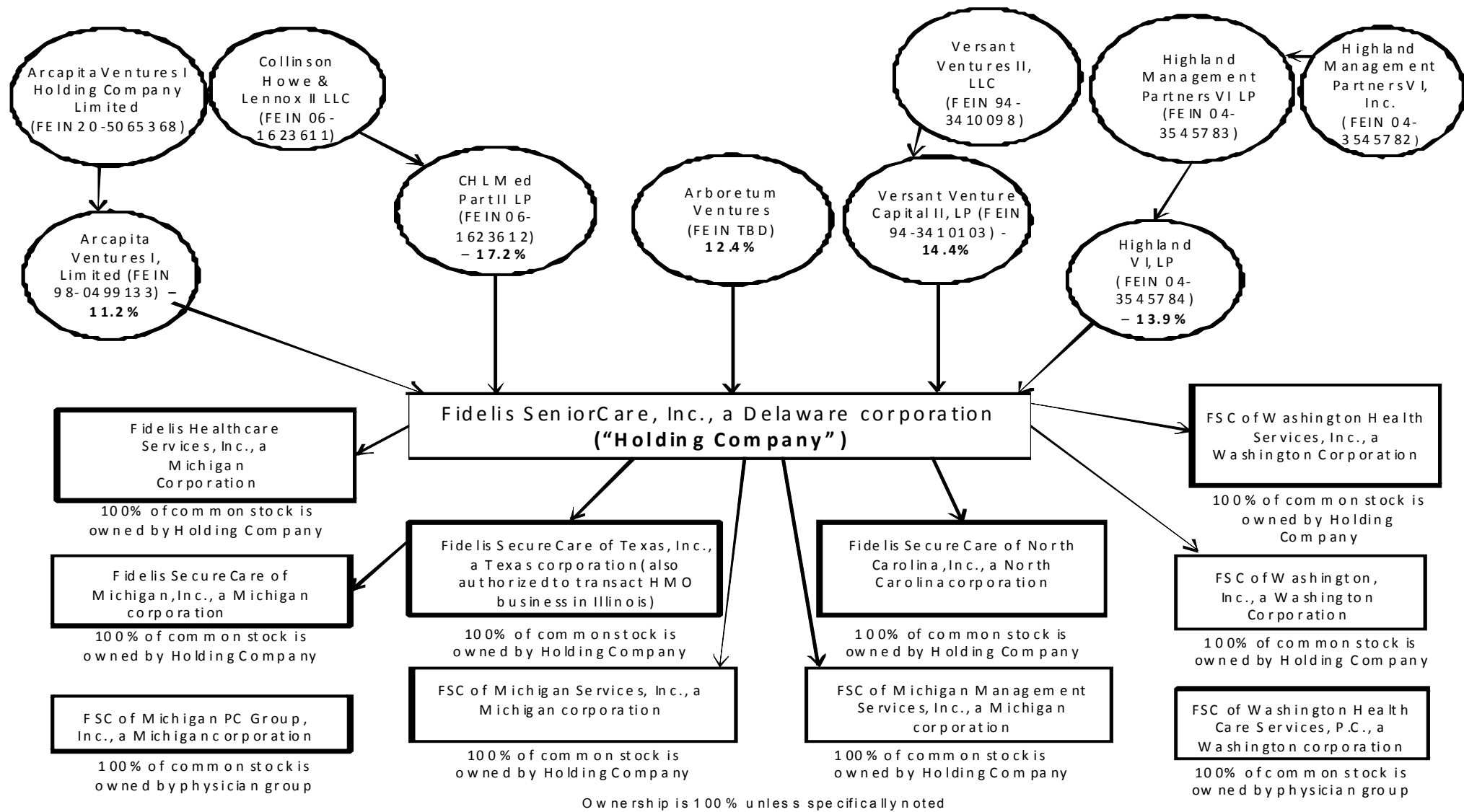
Allocated by States and Territories									
States, Etc.	1	Direct Business Only							
		2	3	4	5	6	7	8	9
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefit Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts
1. Alabama	AL	N						0	0
2. Alaska	AK	N						0	0
3. Arizona	AZ	N						0	0
4. Arkansas	AR	N						0	0
5. California	CA	N						0	0
6. Colorado	CO	N						0	0
7. Connecticut	CT	N						0	0
8. Delaware	DE	N						0	0
9. Dist. of Columbia	DC	N						0	0
10. Florida	FL	N						0	0
11. Georgia	GA	N						0	0
12. Hawaii	HI	N						0	0
13. Idaho	ID	N						0	0
14. Illinois	IL	N						0	0
15. Indiana	IN	N						0	0
16. Iowa	IA	N						0	0
17. Kansas	KS	N						0	0
18. Kentucky	KY	N						0	0
19. Louisiana	LA	N						0	0
20. Maine	ME	N						0	0
21. Maryland	MD	N						0	0
22. Massachusetts	MA	N						0	0
23. Michigan	MI	L	20,595,866					20,595,866	0
24. Minnesota	MN	N						0	0
25. Mississippi	MS	N						0	0
26. Missouri	MO	N						0	0
27. Montana	MT	N						0	0
28. Nebraska	NE	N						0	0
29. Nevada	NV	N						0	0
30. New Hampshire	NH	N						0	0
31. New Jersey	NJ	N						0	0
32. New Mexico	NM	N						0	0
33. New York	NY	N						0	0
34. North Carolina	NC	N						0	0
35. North Dakota	ND	N						0	0
36. Ohio	OH	N						0	0
37. Oklahoma	OK	N						0	0
38. Oregon	OR	N						0	0
39. Pennsylvania	PA	N						0	0
40. Rhode Island	RI	N						0	0
41. South Carolina	SC	N						0	0
42. South Dakota	SD	N						0	0
43. Tennessee	TN	N						0	0
44. Texas	TX	N						0	0
45. Utah	UT	N						0	0
46. Vermont	VT	N						0	0
47. Virginia	VA	N						0	0
48. Washington	WA	N						0	0
49. West Virginia	WV	N						0	0
50. Wisconsin	WI	N						0	0
51. Wyoming	WY	N						0	0
52. American Samoa	AS	N						0	0
53. Guam	GU	N						0	0
54. Puerto Rico	PR	N						0	0
55. U.S. Virgin Islands	VI	N						0	0
56. Northern Mariana Islands	MP	N						0	0
57. Canada	CAN	N						0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Subtotal	XXX	0	20,595,866	0	0	0	0	20,595,866	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0	
61. Total (Direct Business)	(a) 1	0	20,595,866	0	0	0	0	20,595,866	0
DETAILS OF WRITE-INS									
58001	XXX								
58002	XXX								
58003	XXX								
58998 Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999 Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

Explanation of basis of allocation by states, premiums by state, etc.

(a) Insert the number of L responses except for Canada and other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK

Analysis of Operations by Lines of Business	7
Assets	2
Cash Flow	6
Exhibit 1 – Enrollment By Product Type for Health Business Only	17
Exhibit 2 – Accident and Health Premiums Due and Unpaid	18
Exhibit 3 – Health Care Receivables	19
Exhibit 4 – Claims Unpaid and Incentive Pool, Withhold and Bonus	20
Exhibit 5 – Amounts Due From Parent, Subsidiaries and Affiliates	21
Exhibit 6 – Amounts Due To Parent, Subsidiaries and Affiliates	22
Exhibit 7 – Part 1 – Summary of Transactions With Providers	23
Exhibit 7 – Part 2 – Summary of Transactions With Intermediaries	23
Exhibit 8 – Furniture, Equipment and Supplies Owned	24
Exhibit of Capital Gains (Losses)	15
Exhibit of Net Investment Income	15
Exhibit of Nonadmitted Assets	16
Exhibit of Premiums, Enrollment and Utilization (State Page)	29
Five-Year Historical Data	28
General Interrogatories	26
Jurat Page	1
Liabilities, Capital and Surplus	3
Notes To Financial Statements	25
Overflow Page For Write-Ins	44
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17
Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C Section 2	SI13
Schedule DB – Part D	E22
Schedule DB – Verification	SI14
Schedule DL – Part 1	E23
Schedule DL – Part 2	E24
Schedule E – Part 1 – Cash	E25
Schedule E – Part 2 – Cash Equivalents	E26
Schedule E – Part 3 – Special Deposits	E27
Schedule E – Verification Between Years	SI15
Schedule S – Part 1 – Section 2	30
Schedule S – Part 2	31
Schedule S – Part 3 – Section 2	32
Schedule S – Part 4	33
Schedule S – Part 5	34
Schedule S – Part 6	36
Schedule S – Part 7	37
Schedule T – Part 2 – Interstate Compact	39
Schedule T – Premiums and Other Considerations	38
Schedule Y – Information Concerning Activities of Insurer Members of a Holding Company Group	40
Schedule Y – Part 1A – Detail of Insurance Holding Company System	41
Schedule Y - Part 2 – Summary of Insurer’s Transactions With Any Affiliates	42
Statement of Revenue and Expenses	4

ALPHABETICAL INDEX

ANNUAL STATEMENT BLANK (Continued)

Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	43
Underwriting and Investment Exhibit – Part 1	8
Underwriting and Investment Exhibit – Part 2	9
Underwriting and Investment Exhibit – Part 2A	10
Underwriting and Investment Exhibit – Part 2B	11
Underwriting and Investment Exhibit – Part 2C	12
Underwriting and Investment Exhibit – Part 2D	13
Underwriting and Investment Exhibit – Part 3	14

